VZCZCXRO4604

PP RUEHFL RUEHKW RUEHLA RUEHSR

DE RUEHROV #0001 0041059

ZNY CCCCC ZZH

P 041059Z JAN 08

FM AMEMBASSY VATICAN

TO RUEHC/SECSTATE WASHDC PRIORITY 0881

INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE

RUEHXK/ARAB ISRAELI COLLECTIVE

RUEHROV/AMEMBASSY VATICAN 0915

C O N F I D E N T I A L VATICAN 000001

SIPDIS

SIPDIS

E.O. 12958: DECL: 1/4/2018 TAGS: <u>PREL PHUM KIRF IS VT</u>

SUBJECT: HOLY SEE-ISRAEL: NO PROGRESS ON FUNDAMENTAL AGREEMENT AT

LAST MEETING

REF: (A) 07 TEL AVIV 3487, (B) 07 VATICAN 0183, (C) 07 VATICAN 182, (D) 07 VATICAN 172

CLASSIFIED BY: Christopher Sandrolini, Charge d'affaires, EXEC,

REASON: 1.4 (d)

11. (SBU) Summary: Holy See officials report that the December 12-13 talks with Israel did not result in any further progress towards the conclusion of agreements on taxation of Church property in Israel and other outstanding bilateral issues. Some Church officials characterized the meeting as a step back, while the Holy See foreign affairs section preferred to look forward to resolve the impasse. The Holy See is also still frustrated with the issue of Israeli visas for Arab clergy and religious. End summary.

- 12. (C) DCM and poloff met on December 21 with Monsignor Franco Coppola, the Holy See's director for the Middle East matters in the Secretariat of State (foreign ministry). Coppola, who participated in the December 12-13 round of bilateral negotiations with Israel, said the meeting in Jerusalem had not resulted in any further progress towards the conclusion of complementary agreements to the 1993 Fundamental Agreement that established diplomatic relations. Taxation of Church property remains the most difficult issue (reftel B). More broadly, said Coppola, 2007 overall did produce some progress, and the Holy See will continue to engage to resolve outstanding differences.
- 13. (U) Monsignor Antonio Maria Veglio, Secretary of the Congregation for the Oriental Churches -- i.e., the number two position in this congregation, which monitors conditions and assists Christians in the Holy Land and elsewhere in the Middle East -- was more critical in his assessment of the negotiations. During a press briefing on December 16, Veglio (who also participated in the talks) stated that the joint statement issued after the meeting "said everything that could have been said, because the nothing expressed therein is the reality."
- 14. (U) Also during the December 16 briefing, Holy See spokesperson Federico Lombardi reiterated that conditions for a papal visit, specifically peace in the region and progress in the Holy See-Israel negotiations, are not yet in place. Father Pierbattista Pizzaballa, Custodian of the Holy Land (the head of the Franciscan order that looks after the Holy Sites and supports pilgrims) highlighted as well the ongoing difficulties that Arab clergy and religious have in obtaining Israeli visas (reftel C).

- (C) Father David Jaeger, a legal advisor to the Holy See negotiators, told the DCM in a separate exchange that the lowering of the Israeli representation was the most serious --and regrettable -- aspect of the Jerusalem meeting. Since its establishment in 1992, Jaeger said, the Bilateral Permanent Working Commission has been co-chaired by the "number twos" of the respective foreign ministries. The Israeli team in the Jerusalem talks, however, was headed by the ministry of foreign affairs Director General, rather than the deputy minister, though the deputy minister slot was no longer vacant. The Israeli side didn't even express a pro forma regret for the deputy minister's absence, despite knowing of the importance of this to the Holy See, which believes that only by maintaining high-level participation can progress be achieved. Moreover, complained Jaeger, the Israelis refused to allow the Holy See to make a public reference to this discrepancy in the level of participation. (Note: Coppola, on the other hand, was less concerned about the Israeli level of representation; he observed that the DG was substantively the better choice than the recently-arrived deputy minister. End note.)
- 16. (C) Comment: Coppola (who can be quite critical of Israel) gave us with a nuanced, long-term view of the negotiations to balance Veglio's strong public criticism of the December 12-13 meeting. Regarding visas, however, Coppola was as emphatic as he had been in previous discussions on the issue (reftel D), underscoring the fact that -- while not part of the Fundamental Agreement negotiations -- Israeli visa policies remain a source of frustration. For the Holy See, the focus now is to resolve the visa issue and to prepare for the next round of the negotiations, scheduled to take place in Rome in May of 2008. End comment.

SANDROLINI